



**Mississippi Department of
Rehabilitation Services**

Providing the freedom to live

OTHER AUDIT FINDINGS

Phil Bryant, State Auditor
Office of the State Auditor
State of Mississippi
P.O. Box 956
Jackson, MS 39205-0956

Dear Mr. Bryant:

The Mississippi Department of Rehabilitation Services is pleased to respond to the following Other Audit Findings resulting from the audit performed by your office for State Fiscal Year 2004.

AUDIT FINDING:

Oth-6 Adequate Supporting Documentation Should Be Maintained for Federal Reports

Response:

The MS Department of Rehabilitation Services (MDRS) acknowledges this finding. During fiscal year 2004, the Office of Disability Determination Services did prepare a new time study converting the number of cases reviewed to man-hours for contract physicians during the respective fiscal year. However, the employee responsible for completing this task, retired during fiscal year 2004 and the necessary documentation prepared to support the time study could not be located.

Corrective Action Plan:

The MDRS is in the process of developing a new time study for fiscal year 2005, which would be used to convert the number of cases reviewed per hour by our contract physicians to man-hours in which to report on our federal report, SSA-4514. Recently, the Disability Determination Services' program has gone through a major change in its business practice of determining eligibility for this federal program, in which examiner personnel are now required to perform their casework through an electronic system as opposed to the maintaining the traditional paper cases. As a result of this change in our business practice, the procedures used by our contract doctors in reviewing cases has also changed. Therefore, due to this change, a new time study is needed to ensure we maintain an accurate and timely conversion rate.

To ensure the time study is accurately prepared and properly supported, the time study will be coordinated between the Office of Financial Management and the Office of Disability Determination Services and will be reviewed and approved by the Director from both offices. In addition, a final review/approval will be performed by the Deputy Director over Administration. In addition, all supporting documentation will be maintained by the Director of Financial Management and will be available to the state auditors upon their return for the next fiscal year's audit.

Should you have any questions regarding the Response or Corrective Action Plan, please feel free to contact Sheila Everett, Director of the Office of Disability Determination Services, at 853-5235 or Chris Howard, Director of the Office of Financial Management, at 853-5220.

Sincerely,

A handwritten signature in dark ink, appearing to read "H.S. McMillan, CAT". The signature is fluid and cursive, with the initials "H.S." and "McMillan" clearly visible, followed by "CAT" in a slightly different script.

H.S. McMillan
Executive Director